

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-19 Demonstrations	Centers for Medicare & Medicaid Services (CMS)
Transmittal 11383	Date: April 29, 2022
	Change Request 12688

SUBJECT: Calendar Year 2023 Modifications/Improvements to Value-Based Insurance Design (VBID) Model – Implementation

I. SUMMARY OF CHANGES: This Change Request (CR) is making modifications/improvements for Calendar Year (CY) 2023 to CRs 11754 and 12349, which were implementation CRs for the Centers for Medicare & Medicaid Services (CMS) Innovation Center to test incorporating the Medicare hospice benefit into Medicare Advantage (MA) through the Value-Based Insurance Design (VBID) Model (“hospice benefit component”). Unless otherwise stated, all other business requirements in CRs 11754 and 12349 remain the same. The hospice benefit component of the Model will be tested through 2024.

EFFECTIVE DATE: January 1, 2023

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: October 3, 2022 - Analysis, Design and Coding; January 3, 2023 - Testing and Implementation for all contractors

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Demonstrations

Attachment - Demonstrations

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IMPLEMENTATION DATE: October 3, 2022 - Analysis, Design and Coding; January 3, 2023 - Testing and Implementation for all contractors

I. GENERAL INFORMATION

A. Background: This Change Request (CR) is making modifications/improvements to CRs 11754 and 12349 for Calendar Year (CY) 2023. Both these CRs are implementation CRs for the Centers for Medicare & Medicaid Services (CMS) Innovation Center to test incorporating the Medicare hospice benefit into Medicare Advantage (MA) through the Value-Based Insurance Design (VBID) Model (“hospice benefit component”). Unless otherwise stated, all other business requirements in CRs 11754 and 12349 remain the same. The hospice benefit component of the Model will be tested through 2024.

Through the hospice benefit component, CMS is testing the impact on payment and service delivery of incorporating the Medicare Part A hospice benefit with the goal of creating a seamless care continuum in the MA program for Part A and Part B services. For Medicare Advantage Organizations (MAOs) that volunteer to be part of the Model, CMS will evaluate the impact on cost and quality of care for MA enrollees, including how the Model improves quality and timely access to the hospice benefit, and the enabling of innovation through fostering partnerships between MAOs and hospice providers.

In participating in this component of the Model, MAOs will incorporate the current Medicare hospice benefit into MAO covered benefits in combination with offering palliative care services outside the hospice benefit for enrollees with serious illness and providing individualized transitional concurrent care services.

B. Policy: Currently, when an enrollee in an MA plan elects hospice, Fee-for-Service (FFS) Medicare becomes financially responsible for most services, while the MAO retains responsibility for certain services (e.g., supplemental benefits). Under the Hospice Benefit Component of the VBID Model, participating MAOs retain responsibility for all Original Medicare services, including hospice care. The Hospice Benefit Component of the Model implements a set of changes recommended by the Medicare Payment Advisory Commission (MedPAC), the Health and Human Services (HHS) Office of Inspector General (OIG), and other stakeholders.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								Other
		A/B MAC			D M E M A C	Shared-System Maintainers				
		A	B	H H H		F I S S	M C S	V M S	C W F	
	Note: BRs 12688.4, 12688.4.1 and 12688.4.2 shall make changes to BR 11754.3 in CR11754.									
12688.4.1	CWF shall apply BR 12688.4 to BDS.									X
12688.4.2	CWF shall apply BRs 12688.4 and 12688.4.1 only for <i>hospice election start date on or after January 1, 2023 through December 31, 2023.</i>									X
12688.5	The contractors shall note and be aware that unless otherwise stated that a BR from prior CRs 11754 and 12349 is being replaced or modified that those instructions are still in place.	X	X	X	X	X	X	X	X	MBD

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
12688.6	Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the “MLN Connects” listserv to get MLN content notifications. You don’t need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.	X	X	X	X	

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
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Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Tzvetomir Gradevski, 410-7860000 or Tzvetomir.Gradevski@cms.hhs.gov , Sibel Ozcelik, 732-213-0713 or sibel.ozcelik@cms.hhs.gov , Jason Petroski, 410-786-4681 or jason.petroski@cms.hhs.gov , Megha Mirchandani, 410-786-5839 or Megha.Mirchandani@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0